



State of Wisconsin  
1997 - 1998 LEGISLATURE

LRBa1385/1  
KSH:kmg:hmh

**SENATE AMENDMENT 2,  
TO 1997 SENATE BILL 333**

January 20, 1998 – Offered by COMMITTEE ON ECONOMIC DEVELOPMENT, HOUSING  
AND GOVERNMENT OPERATIONS.

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 4, line 6: on lines 6, 12 and 14, delete “(1)” and substitute “(1m)”.

3 **2.** Page 7, line 11: delete lines 11 to 18 and substitute:

4 “(11) “Qualified investment” means an investment in a qualified business by  
5 a certified capital company that meets the requirements under s. 560.34 (1).”.

6 **3.** Page 12, line 4: delete lines 4 to 6 and substitute:

7 “**560.34 Operation of certified capital companies. (1) QUALIFIED**  
8 INVESTMENTS REQUIREMENTS. In order for a certified capital company to prevent  
9 disqualification under s. 560.37 of an investment pool, the certified capital company  
10 shall ensure that the investment pool makes qualified investments in accordance  
11 with the schedule under sub. (1m). An investment is a qualified investment if the  
12 investment meets all of the following requirements:

1 (a) The investment is a cash investment in a qualified business for the purchase  
2 of any of the following:

3 1. An equity security of the qualified business.

4 2. A debt security of the qualified business if the debt has a maturity of at least  
5 5 years and if one of the following conditions is met:

6 a. The debt is unsecured.

7 b. The debt is convertible into equity securities or equity participation  
8 instruments such as options or warrants.

9 (b) As a condition of the investment, the qualified business agrees not to use  
10 the proceeds from the investment for the purpose of relocating its operations.

11 (c) As a condition of the investment, the qualified business agrees, as long as  
12 the certified capital corporation continues to hold the investment, not to relocate its  
13 headquarters out of this state.

14 (d) As a condition of the investment, the qualified business agrees, as long as  
15 the certified capital corporation continues to hold the investment, to maintain at  
16 least 75% of its employees in this state.

17 (e) As a condition of the investment, the qualified business agrees, as long as  
18 the certified capital corporation continues to hold the investment, to maintain at  
19 least 75% of its employees at work sites that were maintained by the qualified  
20 business at the time that the investment was made, unless the qualified business  
21 obtains an exemption from the department under this paragraph. The department  
22 may grant an exemption unless it determines that the qualified business is locating  
23 the employees at new sites to take advantage of lower wage rates in the areas where  
24 the new sites are located.

25 **(1m)** QUALIFIED INVESTMENT SCHEDULE. (a) A certified capital”.

